Diversification of its activities by ONGC

91. SHRI T.T.V. DHINAKARAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that ONGC is exploring the option of diversification of its activities;

(b) if so, the details thereof;

(c) whether the ONGC has signed any MoU for such diversified activites; and

(d) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) From the national perspective of Energy Security, of which oil security is an essential component, ONGC remains committed to its core functions viz., the exploration and production of oil and gas. Diversification into other areas can only be supplemental to, and not at the cost of, concentration on its areas of core competence. While Oil and Natural Gas Corporation Limited (ONGC) are exploring various options for diversification of their activities by forward and backward integration, and in this context have signed the following Memoranda of Understanding (MOU)/Memoranda of Agreement (MOA) with various agencies, the projects envisaged therein are at a conceptual stage only:—

(i) MOU with Gujarat Industrial Corporation Ltd. (GIDC) to create infrastructure facilities within the Dahej Special Economic Zone (SEZ) to facilitate setting up LNG based value addition projects.

(ii) MOU with Karnataka Industrial Areas Development Board (KIADB) & Kanara Chamber of Commerce & Industry towards development of a Coastal SEZ at Mangalore, Karnataka.

(iii) MOU with Kakinada Seaports Ltd. (KSPL) & Infrastructure Leasing and Financial Services (IL&FS) for the development of Port-Based SEZ at Kakinada.

(iv) MOA with Infrastructure Leasing and Financial Services (IL&FS) for setting up a 750 MW combined cycle Gas Turbine power plant at Tripura in order to monetize its locked up assets in terms of isolated gas pools.

(v) MOU with Power Trading Corporation (PTC) for bulk sale of surplus power from existing as well as future units of ONGC.

Private companies in gas and oil sector

†92. SHRI NAND KISHORE YADAV: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of private gas and oil companies granted permission to operate in various States during the last three years; and

(b) the quantum of revenue Government have earned thereby?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Since, January 2002, Government have signed Production Sharing Contracts (PSCs) with 9 private companies for 7 exploration blocks & 2 small size fields in various states. Further, Government have granted permission for operations by two private companies for 2 exploration blocks and 1 discovered field through the assignment route in accordance with the provisions of the relevant PSCs.

(b) In respect of the blocks and fields mentioned in part (a) above, no revenue has flowed as yet to the Central Government.

Measures to meet growing demand of Natural Gas

93. DR. M.A.M. RAMASWAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the natural gas is fast emerging as the most preferred fuel in the country;

(b) if so, the quantum of natural gas required by the country to meet the growing demand of natural gas during the coming years;

(c) the steps Government have taken or propose to take to meet the growing demand of natural gas;

(d) whehter a demand has been made to set up a Regulatory Framework for attracting more investments in this sector; and

(e) if so, the reaction of Government in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Yes, sir.

† Original notice of the question was received in Hindi.